



*Measuring Performance Excellence-  
Enhancing U.S. Competitiveness*

*Harry S. Hertz*  
*Baldrige National Quality Program*

- Program Overview
- Program Innovation
- Program Impact

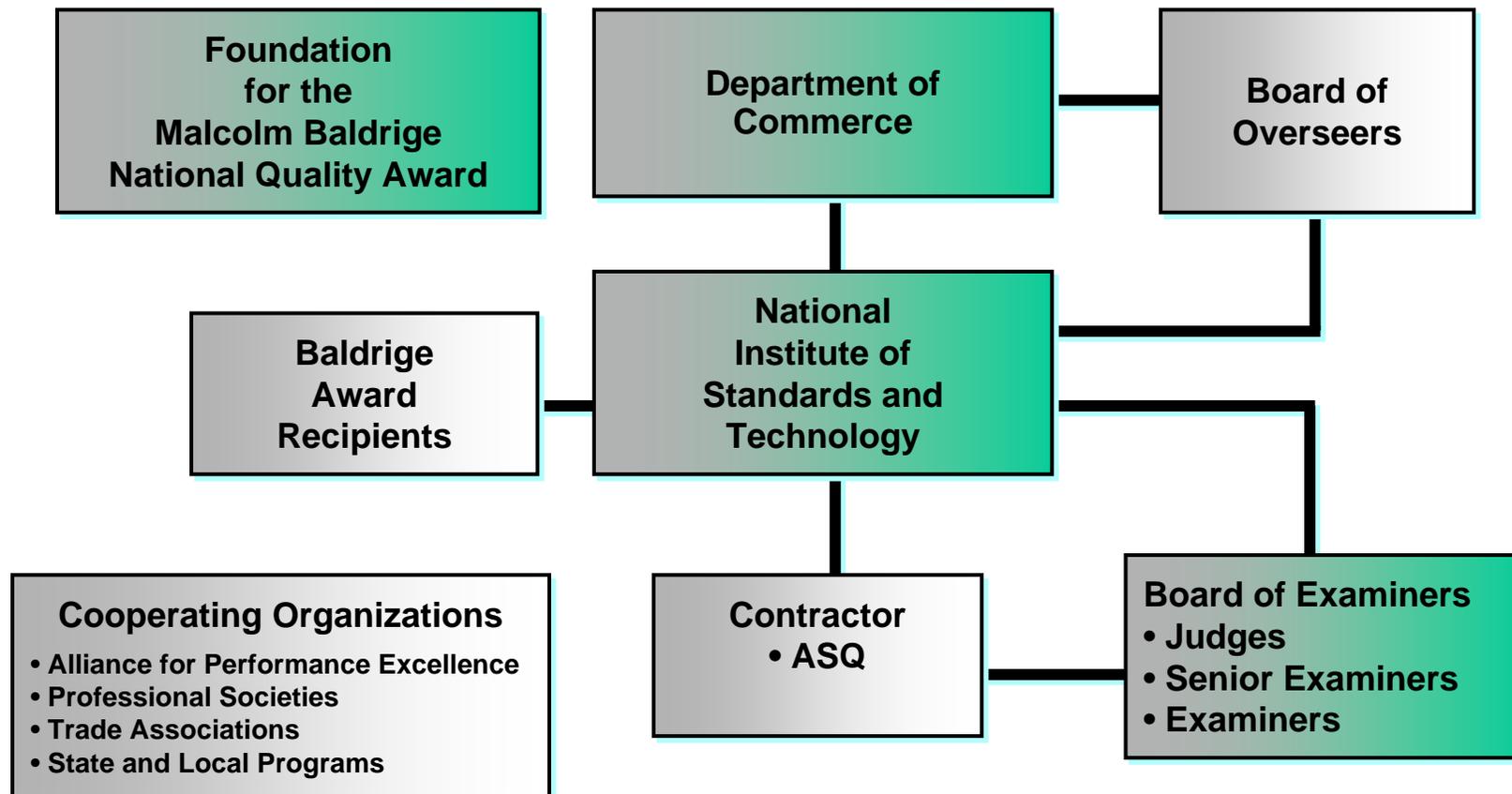
*....Performance Excellence and Innovation*



## *National Education Program*

The Baldrige National Quality Program is a national education program, with information sharing encouraged by a prestigious, Presidential award.

# *The Public-Private Partnership*





# *The Malcolm Baldrige National Quality Award*

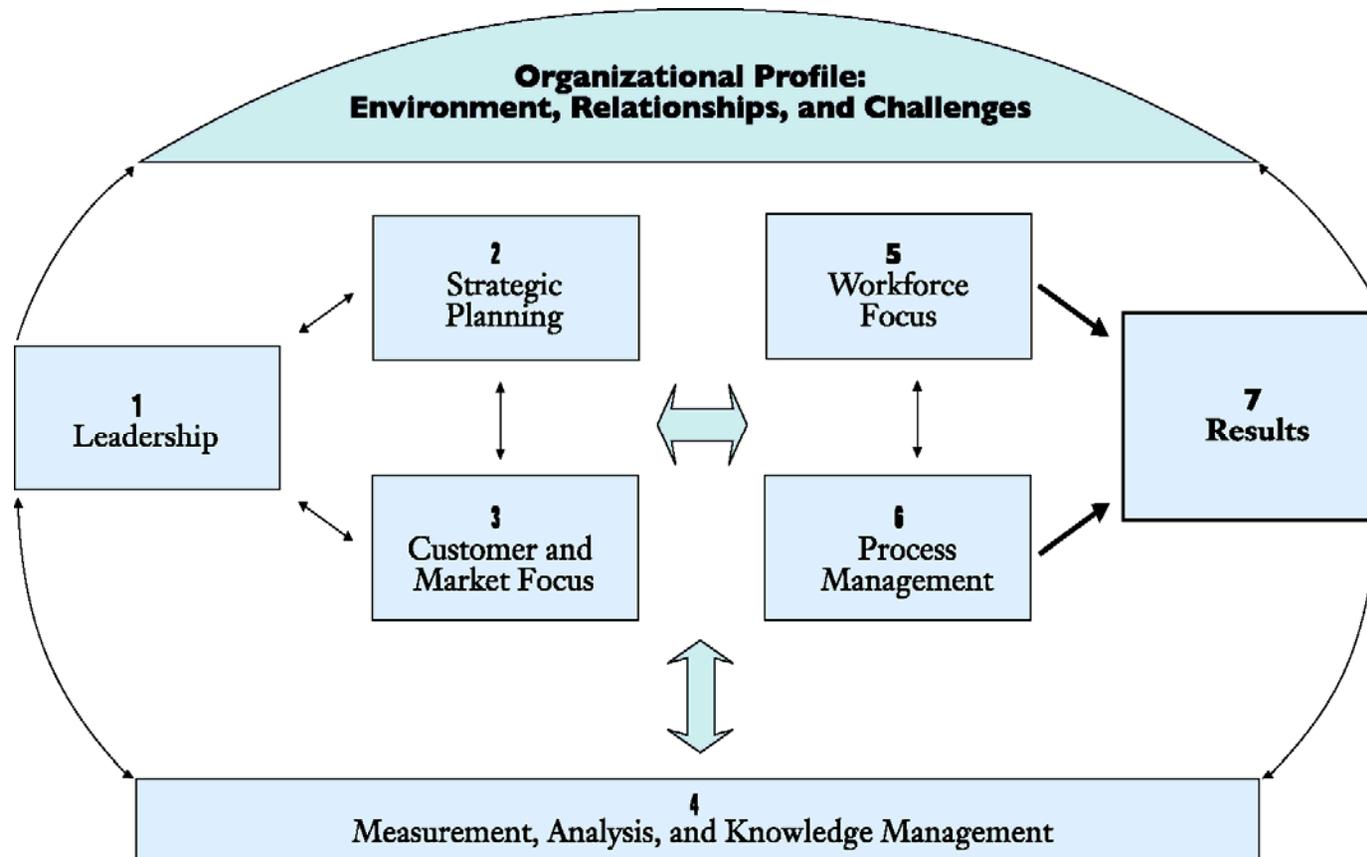
- Six eligibility categories
  - Manufacturing
  - Service
  - Small Business
  - Education
  - Health Care
  - Nonprofits, including government agencies
- Up to 18 total recipients



## *What Is Performance Excellence?*

An integrated **approach** to organizational performance management that **results** in

- delivery of ever-improving value to customers and stakeholders, contributing to organizational sustainability
- improvement of overall organizational effectiveness and capabilities
- organizational and personal learning

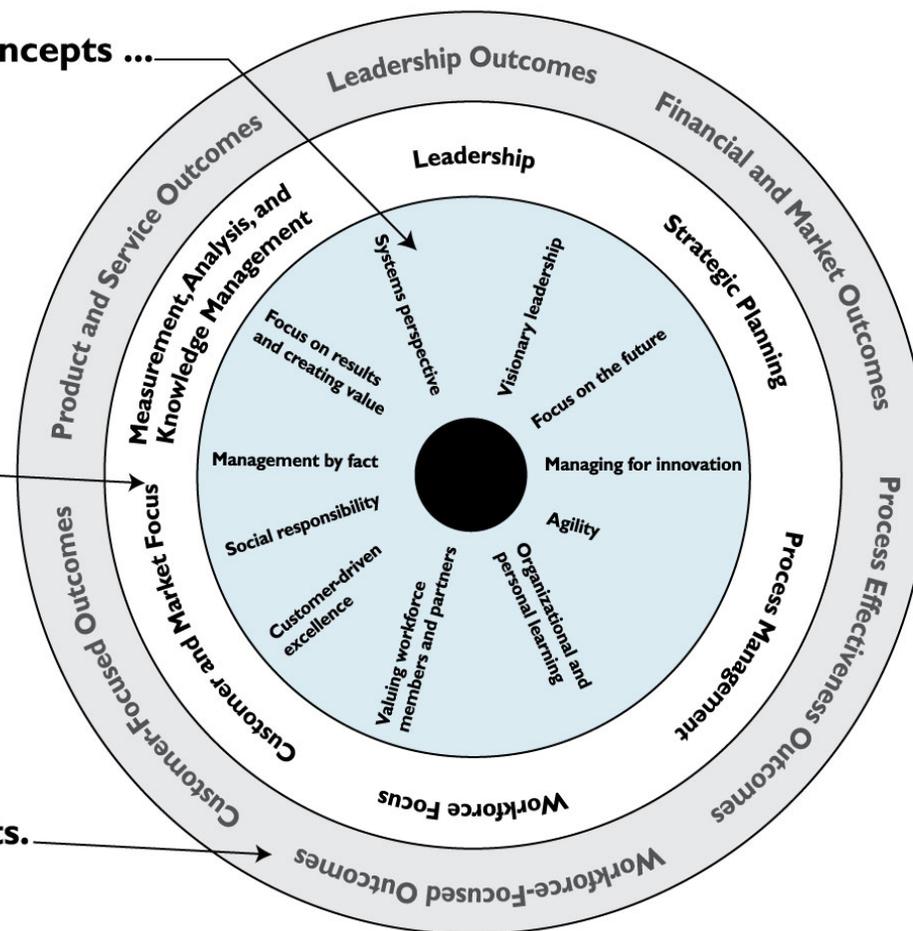


# The Role of Core Values and Concepts

The Criteria build on  
**Core Values and Concepts ...**

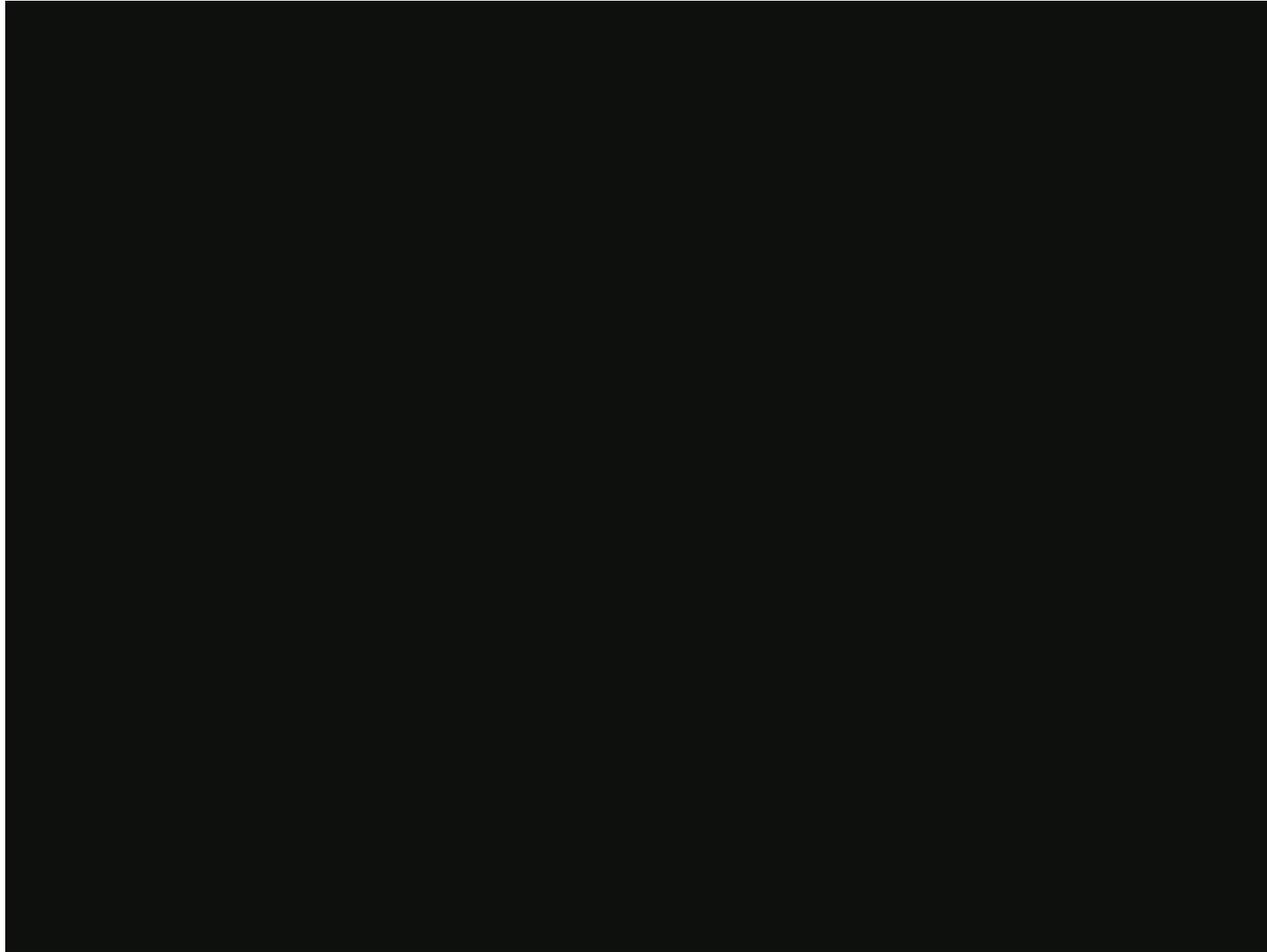
which are embedded in  
**systematic processes ...**  
(Criteria Categories 1–6)

yielding  
**performance results.**  
(Criteria Category 7)



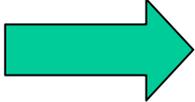


# *Pal's Sudden Service*



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## *Criteria Evolution*

- 1988: 42 Items  2007/2008: 18 Items
- 1988: "Manufacturing Model"   
2007/2008: "Organizational Systems Model"
- "The Criteria Should Always Reflect the Leading Edge of Validated Management Practice."

Arnold Weimerskirch

Chair, Panel of Judges 1993-1994



## *Innovation*

- Meaningful change to improve products, programs, services, processes, or organizational effectiveness.
- Adopting an idea, process, technology, or product that is either new or new to the proposed application.
- Fundamental change in product, process, or organizational (business) model.



*We Rely On  
(Important Principles)*

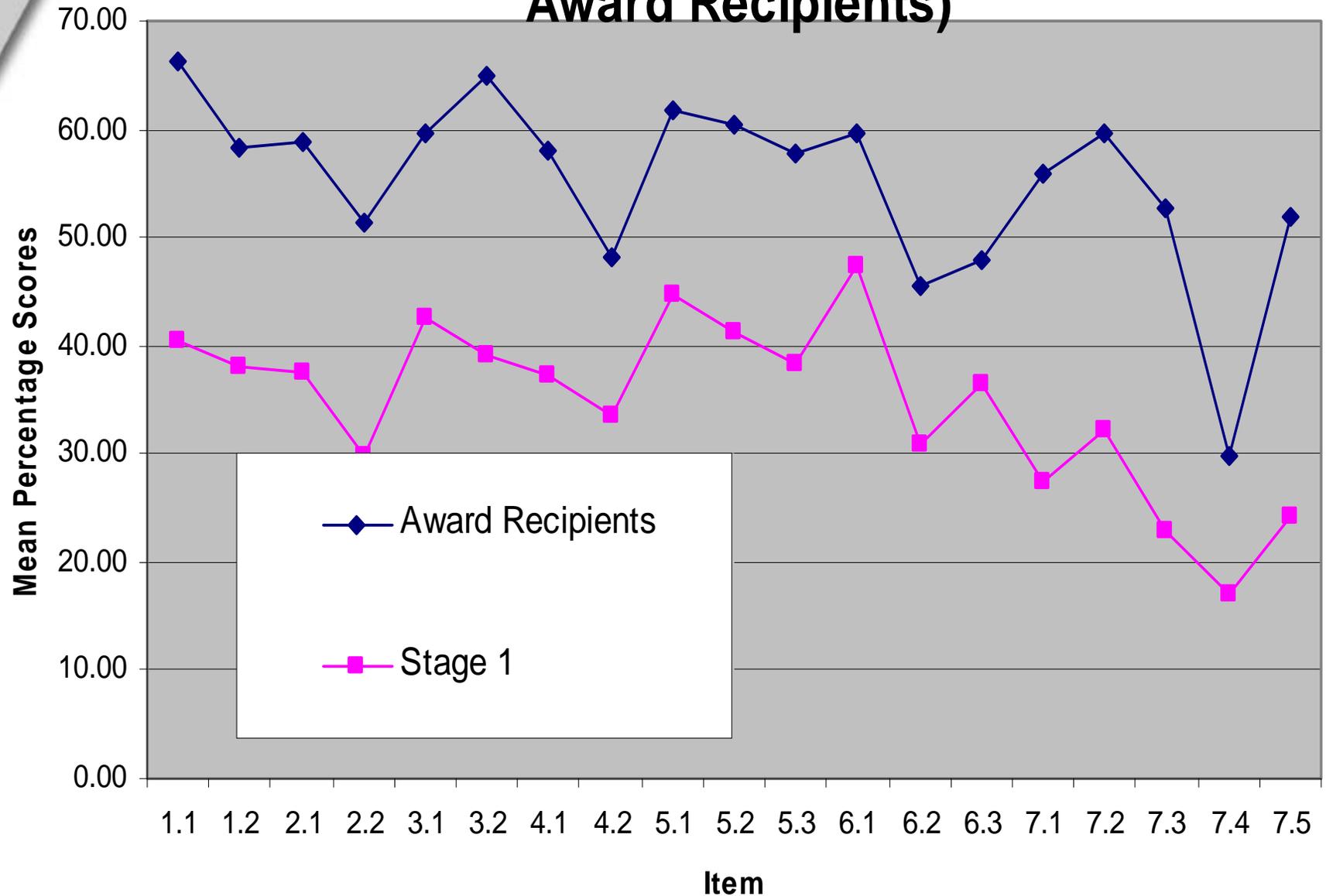
- Program Integrity and Ethics
- Protecting Applicant Information
- Challenges Are Opportunities for Learning
  - Successful Results May Yield Role Model Attributes
- Baldrige Is About Sustainable Improvement



## *Program Participants*

- 72 Award recipients (76 Awards)
- 1,223 Baldrige Award applications
- Over 4,000 Examiners trained
- Widespread participation
- Private sector contributes >90% of Program support
- 1.3 million Criteria downloads in 2007

# 1999 & 2000 Award Process Mean Item Percentage Scores: All Business Categories (Stage 1 and Award Recipients)





## *Baldrige Role Model Characteristics -*

- Visionary Leadership Guidance (1.1)
- Process Driven (6.1)
- Customer and Market Knowledge (3.1)

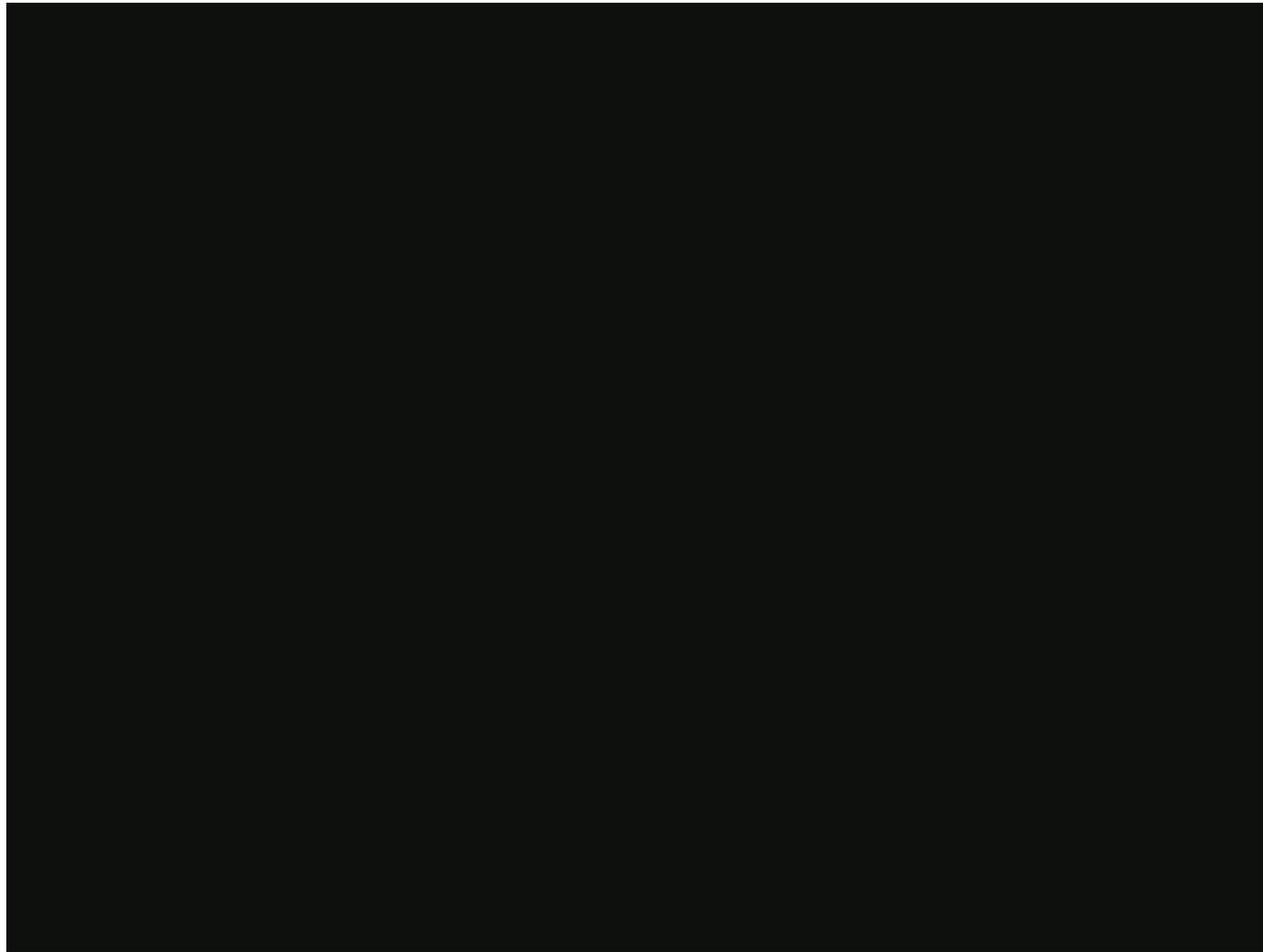


## *Program Accomplishments*

- Created a “de facto” national standard for performance excellence
- Produced national organizational role models
- Spawned a network of award programs including 70 international programs
- Raised the competitiveness of U.S. organizations
- Established effective information transfer mechanism



# *City of Coral Springs*



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## *Magnitude of Impact*

“... the conservative estimate of the present value (in constant 2000 dollars) of **social benefits associated with the Baldrige National Quality Program is \$24.65 billion**... from an evaluation perspective for the economy as a whole, **the benefit-to-cost ratio characterizing the Baldrige National Quality Program is conservatively 207-to-1.**”

**Economic Evaluation of the BNQP, 9/2001**

Albert N. Link, UNC and John T. Scott, Dartmouth